

At the Regular Meeting of the Greenville County Board of Supervisors, held on Monday, July 20, 2009, with Closed Session beginning at 4:00 P.M., and Regular Session beginning at 6:00 p.m., in the Board Room of the Greenville County Government Building, 1781 Greenville County Circle, Emporia, Virginia.

Present: Peggy R. Wiley, Chairman
 Michael W. Ferguson, Vice-Chairman
 James C. Vaughan
 Dr. Margaret T. Lee

The meeting was called to order by Chairman Wiley at 4:00 p.m.

In Re: Closed Session

Mr. Whittington, County Administrator, stated that Staff recommended the Board go into Closed Session, Section 2.2-3711 (a) 1) Personnel, 3) Acquisition and Disposition of Real Property, 5) Industrial Development and 7) Legal Matters.

Supervisor Ferguson moved, seconded by Supervisor Vaughan, to go into Closed Session, as recommended by Staff. Voting aye: Supervisors Ferguson, Lee, Vaughan and Chairman Wiley.

In Re: Regular Session

Supervisor Ferguson moved, seconded by Supervisor Lee, to go into Regular Session. Voting aye: Supervisors Ferguson, Lee, Vaughan and Chairman Wiley.

In Re: Certification of Closed Meeting – Resolution #10-06

Supervisor Ferguson moved, seconded by Supervisor Lee, to adopt the following Resolution. A roll call vote was taken, as follows: Supervisor Ferguson, aye; Supervisor Lee, aye; Supervisor Vaughan, aye; and Chairman Wiley, aye.

**RESOLUTION #10-06
CERTIFICATION OF CLOSED MEETING**

WHEREAS, the Greenville County Board of Supervisors has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provision of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the Greenville County Board of Supervisors that such closed meeting was conducted in conformity with Virginia law:

NOW, THEREFORE, BE IT RESOLVED that the Greenville County Board of Supervisors hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Greenville County Board of Supervisors.

Chairman Wiley recessed the meeting.

Chairman Wiley reconvened the meeting at 6:00 p.m., at which time she led the Pledge of Allegiance and gave the Invocation.

In Re: Approval of Agenda

Mr. Whittington, County Administrator, stated that Staff recommended approval of the Agenda with three added items. Two in Closed Session – Legal Matters and one added item in Regular Session –Acceptance of Property.

Supervisor Ferguson moved, seconded by Supervisor Lee, to approve the Agenda as amended. Voting aye: Supervisors Ferguson, Lee, Vaughan and Chairman Wiley.

In Re: Approval of Consent Agenda

Mr. Whittington stated that Staff recommended approval of the Consent Agenda.

Supervisor Lee moved, seconded by Supervisor Vaughan, to approve the Consent Agenda containing the following items. Voting aye: Supervisors Ferguson, Lee, Vaughan and Chairman Wiley.

Minutes from the Meeting of July 6, 2009

In Re: Budgetary Matters

Budgetary Matters consisting of the following: Fund #001 –Budget Amendment Resolution #10-07, in the amount of \$16,790.67; Fund #013– Budget Amendment Resolution #10-08, in the amount of \$230.20; Fund #018 – Budget Amendment Resolution #10-09, in the amount of \$220,336.00, Budget Amendment Resolution #10-10, in the amount of \$160,082.00, and Budget Amendment Resolution #10-11, in the amount of \$1,980.00, all of which are incorporated herein by reference.

Warrants:

Approval of Accounts Payable for July 20, 2009, in the amount of \$545,767.85

In Re: Dr. Phillip L. Worrell, Superintendent of Schools – QZAB Financing for Schools

Dr. Worrell addressed the Supervisors requesting the Board to consider a Resolution concerning the QZAB Loan. He stated he had received information that Greenville was eligible for two QZAB Loans. One from the calendar year 2008, in the amount of \$1,162,932 and another for the calendar year of 2009, in the amount of \$1,530,882.00. Dr. Worrell stated the first bonds would have to be used by December 31, 2010 and the second, the bonds would have to be issued by December 31, 2011. He stated that they were federal loans that were interest free with less having to be paid back than what was borrowed. Dr. Worrell sited several projects in which the funds would be used. He stated that the application was due on August 15 with a 10% community match which would result in a \$260,000 local match. Dr. Worrell stated that that he thought the school had enough sponsors to satisfy the local match and that the loan would have to be paid back within fifteen years. He then requested approval of the following Resolution #10-13.

**RESOLUTION#10-13 OF THE BOARD OF
SUPERVISORS OF GREENSVILLE COUNTY, VIRGINIA REGARDING
QUALIFIED
ZONE ACADEMY BONDS**

WHEREAS, Section 1397E of the Internal Revenue Code of 1986, as amended (the “Code”), authorizes a type of debt instrument known as qualified zone academy bonds (“QZABs”), which are taxable bonds issued by a state or local government the proceeds of which are to be used to improve certain eligible public schools;

WHEREAS, in lieu of receiving all or a portion of the normal periodic interest payments from the issuer, an eligible holder of a QZAB receives a federal income tax credit for each year the QZAB is outstanding;

WHEREAS, the federal income tax credits provided by Section 1397E of the Code are designed to compensate the QZAB holder for lending money to the issuer and function as payments of interest on the QZAB, and the intent of the federal tax credits is to permit the QZAB to be issued with little or no stated interest or original issue discount;

WHEREAS, QZABs may be issued to finance (i) rehabilitation or repairing of any public school facility within the established qualified zone academy, and (ii) providing equipment for use at the public school facilities within such qualified zone academy, all as authorized pursuant to Section 1397E of the Code; and

WHEREAS, the Commonwealth of Virginia (the “Commonwealth”), acting by and through its Department of Education (the “Department”), has reserved a total of \$1,162,932.00 for calendar year 2008 and \$1,530,882.35 for calendar year 2009 of the Commonwealth’s QZAB issuing capacity to be allocated to the County of Greensville, Virginia (the “County”) through the School Board of Greensville County, Virginia (the “School Board”).

NOW THEREFORE, BE IT RESOLVED by the Board of Supervisors of Greensville County, Virginia:

1. The Board of Supervisors of Greensville County, Virginia (the “County Board”) hereby determines that it is advisable to obtain QZAB financing for the County and authorizes the School Board to make application to the Department for authorization to issue QZABs to finance costs of certain capital projects, including certain energy saving equipping, renovations and upgrades to various public school facilities within the County (collectively, the “Project”), in an amount not to exceed \$2,693,814.35, recognizing that such application in no way commits the County or the School Board to issue such bonds.

2. The County Board further authorizes and directs the Superintendent of the School Board to take any and all actions which may be necessary to issue QZABs as authorized by the Commonwealth, and to make certain funds are provided in a timely manner to assist in the completion of the Project.

3. The Superintendent of the School Board is hereby authorized to forward a certified copy of this Resolution to the Department in connection with its application for authorization to issue QZABs.

4. The County shall take or refrain from taking all actions as may reasonably be required for the issuance and maintenance of valid QZABs under Section 1397E of the Code.

5. Recognizing that the American Recovery and Reinvestment Act of 2009 ("ARRA") provides for taxable bonds designated as "Qualified School Construction Bonds" ("QSCBs") for construction, rehabilitation or repair of public school facilities (bondholders receiving a tax credit from the federal government in lieu of interest from the issuer), but that the Commonwealth is still considering the structuring of a QSCB program and that the School Board may desire to consider alternative financing of the Project through QSCBs, the County Board hereby authorizes the School Board to take such necessary action, including making application to the Commonwealth, for the authorization to issue QSCBs. The County Board further authorizes and directs the Superintendent of the School Board to take any and all actions which may be necessary to issue QSCBs as authorized by the Commonwealth, and to make certain funds are provided in a timely manner to assist in the completion of the Project.

6. Prior to the delivery of any QZABs or QCSBs, the County anticipates that a portion of the costs of the Project may be paid from available funds. Upon the issuance of the bonds, under the provisions of 26 U.S.C. § 54F, the County reasonably expects that any such expenditures of other available funds would be reimbursed from a portion of the proceeds of the bonds, which are classified as a qualified tax credit bond by 26 U.S.C. § 54A(d)(1)(E). Any such allocation of proceeds of the bonds for reimbursement will be with respect to capital expenditures (as defined in Treasury Regulations Section 1.150-1(b)) and will be made upon the delivery of the bonds and not later than eighteen (18) months after the date such expenditure was paid. This paragraph is intended to be a declaration of "official intent" within the meaning of 26 U.S.C. § 54A(d)(2)(D). In addition, in lieu of the issuance of QZABs or QSCBs, the County and the School Board reserve the right to finance the Project through a more traditional financing method, in which case the County Board intends that adoption of this Resolution shall constitute "official intent" within the meaning of Treasury Regulations Section 1.150-2 for the financing of the Project with a tax-exempt borrowing in an amount now estimated not to exceed \$2,693,814.35 and the reimbursement to the County or the School Board, as appropriate, from proceeds of such borrowing.

7. This Resolution shall take effect immediately.

Supervisor Ferguson moved, seconded by Supervisor Lee, to approve Resolution #10-13. Voting aye: Supervisors Ferguson, Lee, Vaughan and Chairman Wiley.

In Re: Citizens Comments

Mr. Whittington invited anyone present who wished to address the Supervisors, to come forward and state their name for the record. There was no one.

In Re: Delinquent Accounts

Mrs. Pam Lifsey addressed the Board of Supervisors stating that she was presenting the delinquent tax list for 2009. She stated that Staff was requesting permission to publish the delinquent tax list in the newspaper, as has been done in the past.

Supervisor Ferguson moved, seconded by Supervisor Vaughan, to advertise the delinquent tax list in the newspaper. Voting aye: Supervisors Ferguson, Lee, Vaughan and Chairman Wiley.

In Re: Financing Documents, Resolution #10-12

Mrs. Brenda Parson, Finance Director, addressed the Board of Supervisors stating that the Resolution was necessary due to two projects the County was involved with which included the Animal Shelter and the Virginia Cooperative Extension Service. She stated that the amount of the funds would not exceed \$800,000 with a term of 15 years and a rate of 4.23%. Mrs. Parson stated that Mr. Whittington needed authorization to execute the Bond Purchasing Agreement, the Financing Lease and the Lease Revenue Bond. She then requested approval of the following Resolution.

RESOLUTION #10-12
A RESOLUTION OF THE BOARD OF SUPERVISORS OF GREENSVILLE
COUNTY, VIRGINIA REQUESTING THE INDUSTRIAL DEVELOPMENT
AUTHORITY OF GREENSVILLE COUNTY, VIRGINIA TO ISSUE LEASE
REVENUE BONDS TO FINANCE VARIOUS PUBLIC FACILITY PROJECTS,
AND AUTHORIZING THE LEASE AND FINANCING LEASE OF CERTAIN
REAL ESTATE

WHEREAS, the Board of Supervisors (the “**Board**”) of the County of Greenville, Virginia (the “**County**”) has determined that it is necessary and advisable to undertake the acquisition, construction, furnishing and equipping of various capital projects, including an animal shelter center and certain office facilities for lease to and use by the Virginia Cooperative Extension Service (the “**Financed Projects**”), for the County, and to obtain financing for the Financed Projects through lease revenue bonds (the “**Series 2009 Bonds**”) to be issued by the Industrial Development Authority of Greenville County, Virginia (the “**Authority**”).

WHEREAS, the County will initially lease the Financed Projects to the Authority pursuant to a lease (the “**Lease**”) and will lease the Financed Projects back from the Authority pursuant to a financing lease between the Authority and the County (the “**Financing Lease**”).

WHEREAS, the Series 2009 Bonds will be payable solely from the revenues derived from the Financing Lease pursuant to which the County will agree to make rental payments, subject to annual appropriation, sufficient to pay the principal of and interest on the Series 2009 Bonds.

WHEREAS, the Series 2009 Bonds will be issued pursuant to the following documents: (i) a Bond Purchase Agreement among the Authority, the County and Branch Banking and Trust Company, as purchaser of the Series 2009 Bonds (the “**Bank**”) and as custodian, with the form of the Series 2009 Bonds attached thereto; (ii) the Lease; (iii) the Financing Lease; and (iv) an Assignment of Rents and Leases, between the Authority and the Bank. All of the documents listed above, except the Series 2009 Bonds, are referred to in this Resolution as the “**Basic Documents**.”

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF GREENSVILLE COUNTY, VIRGINIA:

1. Issuance of Bonds. The County requests the Authority to issue its Bonds in the maximum aggregate principal amount of \$800,000.00 for purposes of financing the Financed Projects, to be paid from revenues derived from payments made by the County pursuant to the Financing Lease.

2. Authorization of Basic Documents. The Series 2009 Bonds and the Basic Documents are approved in substantially the forms on file with the County Administrator, with such changes, insertions or omissions (including, without limitation, changes of the dates thereof) as may be approved by the Chairman or the Vice Chairman of the Board or the County Administrator, whose approval shall be evidenced conclusively by the execution and delivery of the Basic Documents to which the County is a party. The execution and delivery of and performance by the County under the Series 2009 Bonds and the Basic Documents to which the County is a party are authorized.

3. Authorization of Leases. The Board authorizes the Lease and Financing Lease for purposes of leasing certain real estate identified as the Financed Projects.

4. Execution of Documents. The Chairman and the Vice Chairman of the Board and the County Administrator, or any one of them, are authorized to execute on behalf of the County the Basic Documents to which the County is a party, and, if required, the County Administrator and the Clerk of the Board are authorized and directed to affix or to cause to be affixed the seal of the County to the Basic Documents and to attest such seal. The Chairman and the Vice Chairman of the Board, the County Administrator and the Chief Financial Officer or their designees are authorized to execute and deliver on behalf of the County such instruments, documents or certificates, and to do and perform such things and acts, as they shall deem necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Basic Documents; and all of the foregoing, previously done or performed by such officers or agents of the County, are in all respects approved, ratified and confirmed.

5. Sale of Bonds. The County Administrator and the Chairman and the Vice Chairman of the Board, or any one of them, are authorized and directed to consent to the terms of the sale of the Series 2009 Bonds by the Authority to the Bank and to execute and deliver the Bond Purchase Agreement, provided that the

Series 2009 Bonds (i) be in an aggregate principal amount not to exceed the amount set forth in paragraph 1, (ii) be dated the date of its original issuance and delivery, (iii) have a final stated maturity not later than 15 years from its date, (iv) be subject to optional redemption at a redemption price not greater than 101%, (v) bear interest at an initial rate of 4.23%, subject to adjustment as provided therein, and (vi) be sold at a price equal to the aggregate principal amount of the draws disbursed thereunder, all as set forth in the Bond Purchase Agreement. The approval of such officer shall be evidenced conclusively by the execution and delivery of the Bond Purchase Agreement.

6. Nature of Obligations. Nothing in this Resolution, the Series 2009 Bonds or the Basic Documents shall constitute a debt of the County, and the Authority shall not be obligated to make any payments under the Series 2009 Bonds or the Basic Documents except from payments made by or on behalf of the County under the Financing Lease. The Financed Projects are hereby declared to be essential to the efficient operation of the County, and the Board anticipates that the Financed Projects will continue to be essential to the operation of the County during the term of the Financing Lease. The Board, while recognizing that it is not empowered to make any binding commitment to make appropriations beyond the current fiscal year, hereby states its intent to make annual appropriations in future fiscal years in amounts sufficient to make all payments under the Financing Lease and hereby recommends that future Boards do likewise during the term of the Financing Lease. The County Administrator is directed to submit for each fiscal year a request to the Board for an appropriation to the Authority for an amount equal to the rental payments coming due under the Financing Lease for the next fiscal year. The County's obligations to make payments to the Authority pursuant to this Resolution shall be subject to and dependent upon annual appropriations being made from time to time by the Board for such purpose. Nothing in this Resolution, the Series 2009 Bonds or the Financing Lease shall constitute a pledge of the full faith and credit of the County.

7. Bank Qualification. The County hereby designates, and allocates to the Authority in relation to the issuance of the Series 2009 Bond, such designation as a "qualified tax-exempt obligation" for the purpose of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "**Code**"). The County does not reasonably anticipate (nor do any of its subordinate entities reasonably anticipate) issuing more than \$30,000,000 in qualified tax-exempt obligations during the 2009 calendar year and the County (and any of its subordinate entities) will not designate more than \$30,000,000 of qualified tax-exempt obligations pursuant to Section 265(b)(3) of the Code during such calendar year.

8. Official Intent. The Board adopts this Resolution as a declaration of official intent for purposes of Treasury Regulations Section 1.150-2.

9. Effective Date. This Resolution shall take effect immediately.

Supervisor Ferguson moved, seconded by Supervisor Lee, to approve Resolution #10-12. Voting aye: Supervisors Ferguson, Lee, Vaughan and Chairman Wiley.

In Re: Virginia Recreational Trails Program

Mr. Lin Pope, Planning Director, addressed the Board stating that the Department of Conservation and Recreation had funding available for recreational trails. He stated that it was an 80/20 match grant program under a reimbursement bases. Mr. Pope stated that Staff was requesting approval of the preliminary layout before preparing the grant application. He then noted several obstacles that Staff would have to overcome.

Supervisor Ferguson moved, seconded by Supervisor Lee, to approve the Fitness Trail Layout. Voting aye: Supervisors Ferguson, Lee, Vaughan and Chairman Wiley.

In Re: Proposed Drought Ordinance

Mr. James Warf, Superintendent of Public Utilities, addressed the Board of Supervisors and requested approval to advertise the Intent to Adopt a Drought Ordinance contingent upon approval by the County Attorney. He also requested authorization to schedule a public hearing on August 17.

Supervisor Ferguson moved, seconded by Supervisor Vaughan, to approve the advertisement of the Intent to Adopt a Drought Ordinance. Voting aye: Supervisors Ferguson, Lee, Vaughan and Chairman Wiley.

In Re: Washington Park Grant Award

Mr. Moses Clements, Director of Engineering, stated that the Washington Park Community had seen significant improvement as a result of the Community Improvement Grants in the area from the Virginia Department of Housing and Community Development. He stated that Staff had been successful with a forth application and that the Governor's Office had recently stated that the County would receive \$973,300 in additional grant funds. Mr. Clements stated that the grant funds would continue the improvements that had been ongoing in the community, specifically infrastructure improvements, storm drainage, sidewalks, street lights, road improvements and housing rehabilitation as well as new housing and existing housing. He stated that Staff would enter into a contract negotiation phase with the Department of Housing and Community Development which takes about three to four months to complete. Mr. Clements stated that the sidewalk installation in the area had been completed.

In Re: Property Acceptance Resolution - Doyle's Lake Road

Mr. Russell Slayton, County Attorney, stated that County Staff was able to find the owners of the property located on Doyle's Lake Road. He requested that the Board accept the property acquired to improve Doyle's Lake Road.

Supervisor Ferguson moved, seconded by Supervisor Lee, the acceptance of the Doyle's Lake Road Property. Voting aye: Supervisors Ferguson, Lee, Vaughan and Chairman Wiley.

There being no further business, Supervisor Ferguson moved, seconded by Supervisor Vaughan, to adjourn. Voting aye: Supervisors Ferguson, Lee, Vaughan and Chairman Wiley.

Peggy R. Wiley, Chairman

K. David Whittington, Clerk